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Tilly's Technical Accounts and Standard Stories Explored in Financial Markets: The Case of the Istanbul Stock Exchange

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Abstract

In this article, I follow the lead opened up by Tilly (1999, 2002) who was interested in people's storytelling. I do so by looking at sense-making and the legitimacy narratives of market actors in the Istanbul Stock Exchange. Tilly (2006, 2008) himself walked the narrative path and investigated Why and how people give reasons and how people attribute Credit and Blame to other's actions. These books provide insights into people's storytelling in the everyday situations of the home, courtrooms, hospitals, and so on. Nevertheless, Tilly's faith in the prevalence of technical accounts as modes of explanation in intra and inter organisational settings, and superior stories as mode of communication between expert givers and non-specialized receivers, seems to ignore informational uncertainties, intra and inter organisational hierarchies and conflicts pertinent to organisations. It is these factors that push standard stories (Tilly, 1999) into the forefront at the expense of technical stories within the story exchanges of market actors. I demonstrate this by presenting a sample of story exchanges from the Istanbul Stock Exchange under situations of informational uncertainties and organisational conflicts.

Keywords: *Charles Tilly, Standard Stories, Technical Accounts, Sense-Making, Legitimacy, Storytelling Organisations, Financial Markets, the Istanbul Stock Exchange*

Introduction

1.1 For this special issue in memory of historical sociologist Charles Tilly, I follow in his footsteps (Tilly, 1999; 2002; 2006; 2008) in pursuing people's standard stories in everyday situations. I do this in a big structure, that of financial markets, and a large process, that of exchange of securities. To assist me conceptually I draw on the literature on the narrative mode of knowing and explanation in organizations (Weick, 1995; Czarniawska, 1997, 2004; Gabriel, 2000; Boje, 1995, 2001, 2008). Tilly's (2006, 2008) pursuit of standard stories in reason-giving and in the assignment of blame and credit in daily life situations throws some conceptual light on the role of narratives in financial markets with regard to sense-making and legitimation. Taking up this conceptual lead, I provide a small selection of sense-making and legitimation narratives by market actors from the Istanbul Stock Exchange (henceforth the ISE) where I conducted an ethnographic study for ten months in 2008 and 2009. With these narratives, I demonstrate how informational uncertainties, organisational rivalries and conflicts encourage professionals to resort to standard stories in making sense of events and actions and (de)legitimizing them. While Tilly (2006) predicts and demonstrates that experts convert their non-story explanations into good, superior stories for non-specialized audiences, he seems to underestimate the role of informational uncertainties and organisational hierarchies in making standard stories the more prevalent mode of explanation among experts in organisational settings.

1.2 I begin the article with an introduction to my research with a focus on methodology, collected data, and analysis methods. This is followed by explaining the essential components of Tilly's 'standard' storytelling (Tilly, 1999; 2002; 2006; 2008) via a tale of two Charles Tillys. The subsequent section develops Tilly's standard storytelling in the context of organisations by looking at the narrative mode of knowing and explanation in storytelling organizations. I then draw on these two sections to substantiate storytelling in financial markets with story examples from the ISE. I conclude by discussing the repercussions of these stories for understanding technical accounts and standard stories as proposed by Tilly (2006; 2008).

The role of narratives in financial markets

2.1 My research investigates the role of narratives in financial markets. I look at *in situ* narratives that help market actors enact exchange of securities by making sense of events and actions inside and outside the markets; and at narratives that turn experiences and markets into stories for inside and outside audiences for sense-making, entertainment, education, and legitimation. In order to collect these two types of narratives, I conducted an ethnographic study of a global emerging equity market, the ISE.

2.2 Opened in late 1985, the ISE has been an integral part of Turkey's move into the deregulated global financial markets of the post Bretton Woods system (Toprak, 1995; Kazgan, 1995). Housing the only organized and official Turkish equities market, the ISE has attracted ever growing number of global institutional investors in the course of the two decades since its opening. This makes the ISE a case that transcends national boundaries in terms of its investors profile. For instance, ownership in total market value is dominated by investors domiciled outside Turkey, known as 'foreigners'. On the other hand, daily volumes traded in the equity market are predominantly made by retail and institutional investors domiciled in Turkey, known as 'domestics' (Table 1).

Table 1	<i>Percentage of market value of shares owned in TL*</i>		<i>Percentage of trading volume made</i>	
	<i>Domestics</i>	<i>Foreigners</i>	<i>Domestics</i>	<i>Foreigners</i>
2008	32.6	67.4	73	27
2007	27.7	72.3	76	24
2006	35	65	80.5	19.5
2005	35.17	64.83	80.3	19.7
2004**	48	50.7	87.3	12.7
2003**	55.71	42.76	92.1	7.9

* closing value of the shares as of 31/12/2008

** values for each investor type for market values of shares will not add up to 100 due to unidentified accounts.

Source: The Association of Capital Markets Intermediary Institutions of Turkey (ACMIT)

<<http://www.tspakb.org.tr/>>

2.3 The major data collection method in this study was participant observation in four different brokerage houses in Istanbul, each lasting around 5 to 6 weeks (House A, B, C, and D, see Appendix for the organisational features of each house). This enabled me to capture narratives in different pockets of the market to which these houses belong. My participation in the daily activities of each house ranged from plain observation to assisting research analysts in their data collection and analysis activities. This type of light participation gave me a great opportunity to take extensive notes describing events within the dealing rooms and to observe dealers at their desks and chat with them informally about their clients and past market experiences.

2.4 My strategy of collecting sense-making narratives *in situ* was inspired by Boje (1991). This involved noting down or recording with voice recorder (whenever permitted) as many conversations as possible without interrupting the natural flow of interactions. This observational and conversation data was supported by informal chats with informants to unpack meanings generated in dealing room interactions. These informal talks proved to be a good way of hearing the full stories behind the popular viewpoints used in sense-making about market events among my informants.

2.5 The extensive field notes and complimentary informal chats about daily trading activities were supported by published market commentaries, analyst reports, and news agency reports about market events collected on a daily basis. These documentary sources also provided different types of stories for sense-making, entertainment, education, and legitimation. Additionally, 42 formal semi-structured interviews with market actors from other brokerage houses and regulators were conducted. These aimed at learning about their daily practices of sense-making, as well as soliciting their opinions about emergent themes in the data collected during the participant observations. The interviews also helped compare the participant observation findings with practices in similar types of brokerage houses.

2.6 The analysis of the narratives collected during the fieldwork has been done according to their broad functions, namely sense-making, entertainment, education, and (de)legitimation. I have devised four heuristic story types that correspond to one or more of these four functions. These types are called momentary stories and technical stories (sense-making during market hours about the past, present, and future prices and events), internal story (sense-making, entertainment, and education about the market and specific events and situations), and grand story (legitimizing meta-narrative that is deployed against dissident internal stories delegitimizing the market). Once all the narratives were classified into a corresponding story type, they were analysed according to their plot development and use of discursive tropes that give specific meanings to set of events and actions (Czarniawska, 2004; Gabriel, 2000). The similarities and differences in generic story lines for each story type are also 'story schemas' or 'plots' typical for market actors in the ISE. These were then plotted onto a story-network map (Boje, 2001) of the ISE. The map is a schema of the pockets of the ISE analytically developed from market statistics about

client base and the trading of all the houses operating in the ISE, as well as from my observations and informants' stories and opinions about the ISE's informal structure (See Appendix for preliminary distribution of story types across the houses).

The tale of two Tillys: technical accounts and standard stories^[1]

3.1 Tilly (1999:257) defines standard stories as 'sequential, explanatory recounting of connected self-propelled people and events that we sometime call tales, fables, and narratives'. One can argue that there are two Charles Tillys when it comes to standard stories. The formalist Tilly (1997;1999;2004) does not like standard story explanations in daily life and scholarly endeavours alike, because these stories 'badly represents the ontology and causal structure of the most social processes' (Tilly,1999:264). According to Tilly (1999; 2002), standard stories stand on limited characters, and limited time and space. Moreover, the actions of characters are construed as independent and self motivated, which does not allow consideration of more sophisticated causal mechanisms. In short, standard stories thrive on simplified cause-effect mechanisms, common-sense knowledge, and judgements of right and wrong and responsibility. As a panacea to such solipsism and what he sees as the overall weakness of standard stories, Tilly offers formalism (2004) and the non-story mode of mechanisms and processes in a relational realist ontology (Tilly, 2001; 2002; and Goodin, 2006). The non-story mode allows us to detect and incorporate the 'incremental, interactive, indirect, unintended, collective, and environmentally mediated causal processes in social life' in to our superior analysis of social processes (Tilly, 2002:29).

3.2 While the formalist Tilly dislikes narrative studies that resemble standard stories in daily life (Tilly, 1994), there emerges another Tilly as a response to his postmodern critiques (Tilly, 2002), and as a good sociology teacher (Tilly, 1999; 2002) who gave the students of narratives good leads in their studies of storytelling. The first lead is for career sociologists and it is concerned with studying people's standard stories and revealing how 'people actually create, adopt, negotiate and alter the stories they employ in routine social life' (Tilly, 2002: 41). Tilly (1999:270) hopes that such an endeavour will be made to 'simulate and predict both form and content of stories' in different social situations and interactions. The second lead is about teaching university students and the wider public how to tell superior stories in their lives when faced with puzzling circumstances. Tilly (1999:269) believes that superior stories enlighten people by providing more satisfactory causal accounts that are in harmony with scientifically established non-story mode explanations

3.3 In his book *Why*, Tilly (2006) takes up both challenges and sets out an accessible model of how people give reasons that explain events and actions of their or other people's making. The reasons are shaped by two logics, namely cause-effect, and appropriateness, and these logics are further shaped by popular and specialized discourse. Tilly (2006:19) identifies standard stories and technical accounts along this spectrum in cause-effect logic. Conventions and codes prevail in logics of appropriateness in the same spectrum of popular to specialized discourse. Tilly's (2006) *Why* reveals how social relationships between giver and receiver shape the choice of explanation on the part of giver and how our choices mould subsequent relationships. In the relational framework, our explanations change depending on the context, as in the case of technical accounts being turned into superior stories for non-specialist audiences or standard stories being turned into technical accounts or idioms by an expert receiver (Tilly, 2006:173). Overall, Tilly paints a picture in which codes and technical accounts are dominant modes of the explanation and assessment of situations among experts and professional groups.

3.4 In *Credit and Blame*, Tilly (2008) delves more into the narrative mechanisms of social explanation by looking at how we assign credit and blame to the actions of characters. Tilly (2008:11-14) highlights the necessary conditions for the attribution of credit and blame to characters, namely assignment of agency, competence, and responsibility to them over the outcomes we observe. Depending on the way we judge how characters affect the state of value attached to an outcome, we assign credit or blame to characters. Tilly (2008:38) reminds us that the attribution of credit and blame tends to be couched in simplified cause and effect narratives, as in standard stories. These narratives construe characters as competent agents capable of distinguishing good and bad, and acting in full awareness of the consequence of their actions. Therefore, assignment of credit and blame as such is expected to be less prevalent in organisational settings and among professional groups, where technical accounts and codes are assumed to prevail as modes of explanation and assessment of appropriateness.

Narratives and storytelling in organizations

4.1 Although Tilly does not specifically focus on organisational settings in the above mentioned work, his observations about standard storytelling, account giving, and the attribution of blame and responsibility resonate significantly with intra-organisational and inter-organisational settings and practices. The literature on narratives and storytelling in organisations touch on these aspects using conceptual terms such as sense-making under certainty (Weick, 1995; Gabriel, 2000); problem solving (Boje, 1991; Czarniawska, 1997); education and entertainment of the members of the organisation and wider public (Weick, 1995; Czarniawska, 2004; Gabriel, 2000), and legitimation of an organisation's activities and existence (Boje, 1995; 1999; 2001; 2008).

4.2 All these functions of organizational storytelling reveal conflictual aspects of intra and inter organizational relations. The main reason lies in the power of narratives in generating different meanings by virtue of plot creation. Plot creation refers to the 'work of ordering' in daily life and work settings beyond 'purely chronological accounts' (Czarniawska, 2004:17). Organisational divisions of labour and conflicts of interests within and outwith organisations bring forth polyphonic narratives (Prince, 2003: 20) about the same set of events and organisation (Gabriel, 2000; Boje, 1995).

4.3 While Tilly's (2006) technical accounts may provide uniform explanations or what Gabriel (2000:25) calls reports describing and explaining events related to organisations via non-story mode, Gabriel

(2000:36-7) puts forward eight poetic tropes that infuse meanings to organisational facts. It is these poetic tropes that create the essence of storytelling in organisations. Three of these tropes, namely the attribution of agency (competence), and the attribution of responsibility (blame and credit), and the attribution of cause-effect, have been touched upon by Tilly (2006; 2008). The attribution of unity, the attribution of fixed qualities, the attribution of motive, the attribution of providential significance, and the attribution of emotion are other tropes proposed by Gabriel (2000:36-7) as discursive tools that infuse meanings into events and actions and connects them meaningfully in a plot.

4.4 If we return to Tilly's definition of standard stories, 'self-propelled people and events' are actually made self-propelled by the attribution of one or more poetic tropes. It is the use of poetical tropes that make standard stories in and about organisational settings. While use of such poetic tropes in technical accounts can be expected to be rare, informational uncertainties, organisational division of labour, and intra and inter organisational conflicts and interests may all prevent organisational members from invoking technical accounts. This may lead to the use of standard storytelling in explanations of seemingly technical and non-story mode situations.

Financial markets as storytelling organizations

5.1 How can we relate story and storytelling to the daily life of financial markets in the light of above discussion? Firstly, I make a brief analytical description of financial markets with a focus on informational uncertainty, sense-making and theory of action, in a similar vein to Ricoeur's (1984) mimesis 1, the pre-story 'ordering of action, events, symbolism and temporality' (Boje, 2001:113). This introduction reveals the informational uncertainties in financial markets which are applicable to the ISE. In mimesis 2, the actual emplotment of events, I look at a sample of internal stories from the ISE, and discuss how they explain on and off screen events and actions via standard and superior stories. These internal stories are then counteracted by story dispatches from officials and regulators. This discussion reveals the organisational hierarchies and conflicts pertinent to the ISE as explanation of similarities and differences between internal and grand stories about same events. The third mimesis in Ricour (1984, cited in Verschessen, 2003:454) refers to reading of the narrative and understanding its meaning, what it reveals, and understanding how the meaning of the story transforms its readers.

Mimesis 1: informational uncertainties in financial markets

5.2 Financial markets as social organisations bring issuers of securities and creditors together (Cetina and Preda, 2005). As secondary markets, they provide liquidity in issued securities and allow these to be continuously valued in accordance with data and information flows that are directly and indirectly related to the securities in question. Mainstream finance theory attests to this constant valuation activity by positing that all publicly available information is quickly reflected in prices (Fama, 1970). This makes markets information efficient. Nevertheless, informational efficiency does not solve the problem of a future that is unknown (Beunza and Garud, 2007). While finance theory highlights random changes in prices due to the future unknown (Fama, 1965), market actors try to predict the future via calculative and discursive activities so as to reduce the risks associated with trading. In the case of predicting the future prices of company shares, financial analysts resort to universal valuation models that predict a company's future cash flows, discounted in today's prices based on its past and present performance (Kruschwitz and Löffler, 2005; Beunza and Garud, 2007; Ortiz, 2009). Analysts' qualitative judgements about a company's activities and the surrounding socio-economic context will shape the assumptions of probability for the future estimates (Zuckerman, 1999, Beunza and Garud, 2007). These judgements are presented and justified in the narratives found in research reports. I call these narratives technical stories which make sense of the components of universal valuation models in a disciplined way, almost like a scientific report.

5.3 In the case of the daily interpretation of events and actions, the actor-screen-actor type of interaction brought about by computerisation of financial markets (Cetina and Brugger, 2002, Zaloom, 2006, Mackenzie, 2009) creates another type of uncertainty, namely finding meaningful relationships between events in the plethora of data and information made available about them by digital revolution (Sassen, 2005). Market actors, almost on a real-time basis, have to explain how price and market events have come about and find out what they may imply for future returns. This interpretation and predictive activity produces what Sassen (2005) calls a higher datum, a knowledge that contains trading opportunities. Another informational challenge in this interpretation of activity is the lack of data about the intentions behind the particular trading moves of market actors. Despite the digital revolution, actor specific information is never available publicly on market screens. If one can harness the motives behind trading, it is possible to infer an important higher datum by guessing investors' next move in the face of unfolding events^[2].

5.4 To establish meaningful relationships between events and actions unfolding on the market screen in the form of numbers and narratives, market actors resort to logical relationships such as cause-effect, correlation, and similarity. This generates *in situ*, momentary stories informed by past experiences and categorical knowledge about the market. These logics provide the backbone of plots in *in situ* narratives, sequencing a number of events together. To reduce the uncertainty related to investor motives, market actors combine these plots with some of the aforementioned poetic tropes such as the attribution of unity, fixed quality and motive to anonymous investors. Such a discursive re-enactment of the past provides post-datum explanations about the reasons behind events and actors' actions. In these explanations, events and investor motivations may play the role of cause and effect interchangeably.

5.5 The explanatory and predictive power of *in situ* narratives or momentary stories comes from detection and reaffirmation of the above mentioned logical relationships among events and actions related to trading. The way *in situ* narratives work resembles the way we create rules of thumb in daily life. By experiencing similar events over and over again, we start to see a pattern in them by establishing logical and predictive

relationships. The identification of similar situations leads to invoking similar momentary stories that explain them and predict their future trajectory. If the heuristics do not seem to work, then another way of explaining becomes more prevalent (See Appendix for how technical and momentary stories prevail in each brokerage house).

5.6 Over time, observation of market screens coupled with trading experience lead to formation of general viewpoints about the market in question. These viewpoints provide outsiders with access to informal features of the market such as intermediary and investors types and their characteristics, major mechanisms in the market that drive daily trading, and consequent (mis)fortunes of investors and intermediaries alike. In this respect, they are educative about the market in question for outsiders and new members of an organisation. Viewpoints also act as cognitive shortcuts in reducing the informational load and complementing the missing data/information during screen-related interpretational activities.

Mimesis 2: internal stories versus the grand story

5.7 The internal story and grand story tropes show financial markets working under a different light. These two types of stories turn the materiality of financial markets into texts which are positioned along the spectrum of dissident to hegemonic. As such, they provide differing and at times conflictual insights into financial markets as a social institution. Internal stories are about experiences of being a market actor. These stories give insight into the work world of financial markets by recounting the past experiences of the teller and/or others. Some internal stories are complete Aristotelian stories with beginnings, middle, and ends as espoused by Gabriel (2000:21), recounting the market experience of a protagonist with meanings, feelings, and normative points. These are stories of (mis)fortunes of investors and intermediaries alike, revealing what it means and how it feels to be an actor in a specific market through self-lived or observed experiences in social relationships. Other internal stories may read like the substantiation of viewpoints pertinent to a market in question. These viewpoints inform the recounting of a set of market events which the recounter has experienced themselves via trading screens or has heard from others. I call these narratives classificatory internal stories.

5.8 The major difference between Aristotelian stories and classificatory stories stems from the type of experience that informs them. While Aristotelian stories draw on the experiences of one protagonist (teller or an acquaintance of the teller) going through a set of events that culminate in a resolution, classificatory internal stories usually draw on experiences before the trading screen. Due to anonymity or the unavailability of certain data in the public realm about market actors and their personal and/or institutional attributes, experiences before the screen tend to be couched in sweeping generalisations based on inferences made from numbers and narratives observed on the screen. To make it clearer, an Aristotelian story about an institutional investor in London as told by the head of institutional sales in House D will be quite different in terms of meanings from a classificatory story (terse or extended) about foreigners told by any dealer in House B who only serves domestic investors and has no experience in serving foreigners.

5.9 Therefore, classificatory internal stories have the potential of not only revealing the social divisions pertinent to financial markets but also discursively constructing them. From a meaning-making perspective, Aristotelian internal stories remain more faithful to chronology of a set of events before and beyond the trading screen. Classificatory internal stories, on the other hand, remain significantly reliant on meaning-making by emplotment beyond chronology. The use of poetic tropes to infuse and embellish meanings as espoused by Gabriel (2000:35-9) thus features more significantly in classificatory stories, especially if the viewpoint and the whole story is about market actors and pockets of the market that the teller does not belong to and has no personal access to (See Appendix for variations in Aristotelian and classificatory stories across the houses).

5.10 While internal stories offer a fragmented, conflictive, and contradictory discursive enactment of a market in question, the grand story type can be seen as a disciplining meta-narrative that aims to silence the dissident internal stories. Grand story is similar to what Weick (1995) refers to as culture or ideology as a layer of sense-making that express pure meanings about financial markets. Once deployed, a grand story enacts financial markets as a desirable, integral and indispensable institution. It does so by denying the attribution of any negative generative or successionist causality to the market (Boje, 2001:103-7). In such a discursive construction, markets never become the root of bad outcomes, nor can any organisational feature of the market lead to undesired situations. In its purest form, the grand story encourages us to think that the blame should be found somewhere else, not in the ontology of markets. Traces of the grand story can be found in narratives not only about specific events within the organisational field, but also about the relationship of the institution with other institutions and the wider society. Dispatches about the grand story happen through verbal and/or written organisational statements, regulatory texts, public commentaries of market actors, statements of rule-makers and enforcers, and so on.

5.11 What I present in following paragraphs is a set of internal stories about the ISE spot and ISE futures trading as told by professional market actors and an academic. The ISE futures market is another organized market in which future contracts for ISE 30 spot index are traded. Since its opening in 2006, the ISE futures market has become quite popular among domestic investors. In 2008, the ISE futures market was the second fastest growing futures market in the world (FIA, 2008). The first three stories below revolve around the misfortunes of protagonists in the ISE futures trading. However, each story is dramatically different in its attribution of responsibility in explaining the misfortunes. After these stories, I provide differing viewpoints about a character, i.e. domestic speculator, found in *in situ* and internal stories. I do this to demonstrate the polyphonic nature of viewpoints based on organisational division of labour and hierarchies. Then, I look at the responses of regulators to delegitimizing viewpoints in the second and third story. In all these story dispatches, organisational identities become the determining factor in the adoption of technical accounts or standard stories.

5.12 Aristotelian internal stories are not about sense-making or coming up with an investment case, as in the cases of momentary and technical stories respectively. They make a point about being a market actor in a specific market. An example here concerns an individual investor and was told by his dealer in House B. The protagonist and the recounter are close friends and they were once colleagues in House B. In the morning of 9 April, 2008, I was observing the dealer at her desk and taking notes. She started telling the story to me after the protagonist called her to get some information about data releases from the US in that afternoon and to discuss what should be expected. The story is about the protagonist's recent misfortunes in the Turkish futures market:

This guy used to work for us. He is an experienced analyst but he has blown away his and his relatives savings in the Turkish futures market. The thing was he was following the data releases from the US and other markets, and he was taking significant positions without diversifying his capital. His positions were in accordance with negative market expectations in the recent months. This was usually selling short the index contract and trying to close his position from a lower point after the negative expectation materialized and the contract price was pushed further down. Unfortunately, the market went against him a few times despite confirmation of bad data. He had large margin calls. He borrowed more money from his relatives to carry his losing positions. He was then trying to figure out others' position from clearing house records on the screen with the hope that he could guess their next move. But that did not help anything. At the end, he had to stop loss a few positions because he could not carry them any longer, and he lost a lot. One should not stand against the market. This is what he was doing, trying to stand against the market, even without realizing. Plus he was keeping his positions more than a day. Everyday is a new day in the futures market, it is very unpredictable and open to sudden reversals in this financial turmoil. We have warned him many times to close his positions while it was not too late. But he insisted on keeping them despite the upbeat market. This is really suicidal. If the market is buying despite a series of bad data then you should join the wave as well no matter how stupidly bad and wrong the data comes. Sometimes we do the same, trying to stand against the market in such weird times. You should not resist the upbeat otherwise your customers complain about lost opportunities. (Field notes, House B, 9 April, 2008, page 9-10)

5.13 Rather than making sense of unfolding events before the computer screen, the teller performs this story before an audience to make a point about being a market actor. The story is not bound by the facticity of the simple datum or the minute details of each event and action that lead to the tragic resolution. In this respect, this story moves into the folkloric genre. As Gabriel (2000:10-1) puts it, this is characterized by a stable plot that drives the events and actions and by the plasticity of the story, the details of which can change in each story performance without altering the overall meaning.^[3] The story is embellished by rhetorical and poetic tropes, such as the metaphor of suicide, the attribution of agency and partial blame to the market, and fuller blame to the protagonist. However, it is the tragic plot that delivers the overall meaning, that one is subjected to 'laws of fate' (Czarniawska, 2004:22) as sanctioned by the unpredictable market. Yet, the protagonist is defeated by them only because he did not heed to the laws of investment, such as 'diversification' 'stop-loss' or 'hedging', that might have partially or fully protected him. Thus, as Boje (2001: 109) puts it, 'hope exists for those left behind by their understanding of the limits of overcoming the abyss. Liberation is possible'.^[4]

5.14 The above story exemplifies the risks associated with securities trading. It can make sense in any financial market because risk and its repercussions are universal. Therefore, the unpredictability of markets, despite different forms of predictive activity, resurfaces in Aristotelian internal stories told by market actors in the ISE. In such stories, the overall meaning focuses on the mighty and anonymous market that decides the fate of risk-taking individuals. While there are tools one can use to minimize the risks, some internal stories do not take the market and the tools for granted and infuse different meanings to 'unpredictable markets'. In such stories, some market actors are turned into major forces over the market, determining the fate of protagonists. These are classificatory internal stories which are informed by viewpoints pertinent to the ISE and its specific pockets.

5.15 Below is an excerpt from an informal talk on 29 May, 2009 with a former dealer in House A. The dealer used to serve day traders in the equity and futures market in House A, and he continues this role in another brokerage house similar to House A in its organisational features. The dealer explains to me with a classificatory internal story why the Turkish future market always moves against the individual day traders. The story was about a domestic speculator who was said to open up large positions in the futures market through a house owned by an international bank. This house is known to work only with foreigners and this point was reiterated during two interviews I conducted with house XYZ's vice president, and chief economist (2 June, 2008; 5 September, 2008).

Dealer: In April, when there were two days left (to the rollover), a friend writes an email, saying 'friends, XYZ is carrying 100k contract for the ISE 30 futures index and they cannot close it before June contracts start, there is no buyer, so they have bought shares in the ISE'. I said to her, what kind of a retard will come to the future market, and buy that many contracts, that is impossible. The index, June contracts roll over day finished, and it is 1 May, what happened, XYZ has sold shares in the equities, and bought 27k contracts in the futures, then the rumour is true, we heard it a couple of days ago, but didn't know whether it was true, now the guy is actually carrying 114k contracts in the futures market. When he was buying shares in the ISE, he took the equity and futures market up, while doing that he reversed his position because while he was taking them up, he had longs, when taking it up with equities and this with expectation takes the futures up, he closed his positions, he opened new positions at a higher contract price, he has taken it up, now he has 100k contracts at an average of 38k (points), the current index is 44k

Tarim: Hmm, then he bought in the ISE to take the ISE futures up then?

Dealer: Yes, exactly, and what he did for June, when he found the buyers for June, he sold there heavily, and closed the cost margins there, though because people did not show more buys for June, he could not take the June price up, and there you go he had double profits, now he is long with 100k contracts at 38k average cost. What did you take the index to, 44k right, between 42k and 44k, if you sell from two different houses, what happens?

Tarim: Well, you make a lot of profit,

Dealer: You buy it at 38k average, and when you take the index and futures up, you sell it on people at 42k, and when it takes a u turn between 38k and 44k, you can sell it through XYZ, You reap the profits gradually lowering the profit margins, and the highest point you sell and the rest, it is all your profit. And now they are doing it, they are making people eat (the contracts) slowly, today 13k, the other day 8k,

Tarim: Wow, so he moves the index in a way?

Dealer: Well, there is power; this is the power of money,

Tarim: You think this is done by XYZ itself or a client does it through them,

Dealer: This is done by a domestic.

Tarim: A big guy then

Dealer: Yeah a big guy,

Tarim: Hmm, but this need not just capital but also a good strategy right?

Dealer: Well, this guy, a guy called [name,surname],

Tarim: Really, so this is done by him?

Dealer: You know him?

Tarim: Yeah, I have heard his name; I actually want to interview him

Dealer: [name surname] won his first million at the age of 22, he was a day trader for a bank owned brokerage house, and he won his first million at the age of 26

Tarim: So this is the story in Forbes Turkey right, I read it, it was out last year,

Dealer: I think so, I read this on the web, maybe, and there was that 55 million dollar figure in the story, that he has 55 million dollars

Tarim: Yeah, it was in Forbes last year,

Dealer: So the email sent to me, it was about this guy doing this in the futures, and when you check it two days later, he has actually done it,

Tarim: So this was told by your friend, does she work at XYZ?

Dealer: No, no, at another house,

Tarim: Working for domestics?

Dealer: Yeah... well what about the hmmm market?

Tarim: Efficient market and random walks?

Dealer: Yeah, efficient market, random walk, and if easy, then make them efficient and random,

Tarim: Hmm, I have nothing to say against that, well it is a rumour but it is probably true, at the end, this guy is like the cock on the dunghill, right?

Dealer: Mate, yes it is a rumour but then if the rumour turns out to be true by numbers on the screen,

Tarim: I see, yes you see it in numbers, so this is a rumour too accurate to be wrong in terms of numbers?

Dealer: Yeah, there can't be that much coincidence between the rumour and the numbers,

Tarim: Yes, you're right,

Dealer: The email said 100k contracts, now he is carrying 100k, he bought 27k contracts on

the roll over day, why do you buy it on that day, animal! Are they going to be extinct on that day, the contracts? Why do you buy it on the roll over day, and then you take the market up and destroy all the short positions opened from lower points and they are given margin calls, then he sells the contracts from upper levels, making profits. Now, what do you do, come and fix this, you said everything was efficient and orderly, if it was working properly, the US would not be bankrupt now!

5.17 This story is about a market squeeze, a case of a group of people taking control of futures and the underlying assets trading and their manipulation of both (Kolb, 2003:42-3). The dealer has a deep distrust of the market mechanisms that are said to prevent manipulation by more powerful investors. However, the entire evidence that is used to support this rather complicated story is an email conveying a rumour. The rumour is then supported by subsequent observation and retrieval of numbers that correspond to trading and settlement activity on specific days from the trading platform databases with the flick of a mouse. There are no names, no record of individual traders in the trading platforms database. The most one can see there is the name of a brokerage house and their aggregate long and short positions. In fact, this distrust in the market mechanisms is quite widespread among day traders in the ISE futures, and their internal stories about the matter were picked up by a popular online finance portal columnist on 26 June 2009.^[5] The columnist, the academic head of a finance department at an Istanbul-based university and former head of research departments at two bank-owned brokerage houses, writes the following, starting with his own observation of volatility in the futures market on the previous day:

Yesterday, it was 13:55 and the ISE futures June contracts trades around 45.500. Since approximately 11.30 until 13:55, it was almost like a straight line. At 14:00 a quick sell wave comes and a HOUSE sells it to all sell levels, and the contract index falls back to 45.300 in seconds. After that at 14:05 the index sees 45.150 and in the following twenty minutes it reaches 46.000 points.

I am in Izmir now and as I have time I have had the chance to observe the markets for a day for the first time since long. When those weird moves were happening in the ISE futures, I immediately called some people and asked them whether there was any news because at those moments, DAX and Dow Jones futures were calm. A friend of mine who follows the markets very closely on a daily basis explained me all.

In the ISE futures, there were only a number of houses who were long (maximum 10). The rest 50 houses were short, that is to say in selling position, and our three well respected houses (2 foreign owned) who are called Three Musketeers do such manipulations all the time. To this day, I had received complaints about manipulations in the ISE futures and I would say the liquidity of the market had expanded and such things were impossible. But after yesterday, the emails about this have expanded significantly.

Apparently, these musketeers were trying to close June contracts at the highest point as they were long. Moreover, they are buying bank shares in the ISE, shares which have the most weight on the index value, taking up the ISE 30, and making sure the ISE futures close high. Therefore, this is an outright manipulation and my article is a criminal complaint to the relevant authorities.

5.18 While the above story is quite similar to the market squeeze by the 'big guy' as told in the dealer's story, the columnist conveys his friend's story about the specific volatility on the previous day:

Besides, do you know what the cause of that move was I told in the beginning? A small house which opens up a position in the morning and closes it at the market close was imitating the moves of the big houses I mentioned above. So the small house was long in the morning, with 1500 2000 contracts. And of course they would close them with profit in the afternoon by following the lead of the big houses. Of course the big houses wanted to bite this small house trying to eat small pieces of meat in between crocodile's teeth. They said 'oh you are long now, you will see' and then sold it on the ISE futures and made this small house stop loss. Maybe there are other factors but what is told to me and the most probable story is this.

5.19 The columnist finishes his article by advising the day traders in the futures market not to trade in the market in the following week (the rollover week), as protest to the regulators and to prevent being 'destroyed' by the musketeers. These two classificatory internal stories represent how viewpoints and classificatory stories mutually inform each other. The viewpoints of recounters about domestic speculators, big houses, foreigners, and so on inform their sense-making activity before the screen and shape the way they emplot on and off-screen events and infuse them with meanings. In these stories, there is no reference to an anonymous market that is unpredictable. Every event has an explanation by virtue of viewpoints about the informal features and idiosyncrasies of the ISE. The dealer, by virtue of his six years experience in serving domestic day traders, has strong opinions and distrusts domestic speculators, foreigners, and local houses owned by global investment banks. The recounter of the second story indirectly admits his change of view about manipulation claims and big houses by referring to his previous and rather academic viewpoint about manipulation preventing market depth and liquidity. The change of viewpoint results in a story embellished by poetic and rhetorical tropes.

5.20 The overall meaning of each story is generated by the use of several poetic tropes. Firstly, the attribution of unity and fixed quality to actors (Gabriel, 2000:38) turns them into characters with fixed personalities (Czarniawska, 2004:80). As can be seen in the first story, the domestic speculator is turned into a market squeezer, a character with power and bad motives. In the second story, it is the 'big houses' or musketeers that are manipulative and crocodile-like creatures that control the ISE futures market. These

two types of actors and their behaviour explain why day traders are poised to lose in the futures market. Also notice in the second story how an organisation (big houses, or three musketeers, as they are attributed unity) is given human agency (and then zoological agency!) by another poetic trope, namely 'the attribution of agency' (Gabriel, 2000:39). The attribution of agency implies the ability to 'act in purposeful and meaningful ways' (Gabriel, 2000:39). In both cases, the culprits are given an agency and the motive of wrong-doing. Therefore, they are attributed responsibility in undesired market outcomes, which is another poetic trope Gabriel (2000:39) points to. This results in the assignment of blame and credit to actors in a story, turning them into villains, heroes, or victims. Last but not least, the domestic speculators and the musketeers' actions are also seen as the general causes of the misfortunes of the day traders. Apart from the poetic tropes, the use of metaphors such as *animal*, *big house*, *small house*, *crocodiles*, *eating the meat between crocodile's teeth*, fortifies the meanings generated by poetic tropes.

5.21 Whether acquired through screen-based trading, observation experience and rumours and stories from others, or through personal experience accompanied by on and off-screen social relationships, viewpoints feature in internal stories as plot makers and poetic tropes. There is a mutually constituted, continuous relationship between viewpoints and internal stories. Unfolding on and off-screen experiences generate, modify and alter these stories. While it is always desirable to hear the whole stories behind viewpoints, some sensitive issues such as domestic speculators did prevent me from hearing complete stories from some of my informants during informal chats or formal interviews. However, they did not refrain from expressing their own viewpoints about this type of market actor. These diverse meanings about domestic speculators put their role in the ISE within a spectrum of liquidity providers through to manipulators. In the middle of the spectrum lies the viewpoint that domestic speculators have lost all their leverage over the market, a privilege that they enjoyed in the late 1990s.

5.22 The concept of 'domestic speculators' refers to individual investors who can sway trading in shares or even the direction of the entire index. Depending on the motive this activity is imbued with, investors are called speculators or manipulators. In the latter case, they are usually depicted as villains who manipulate share price and con unsuspecting domestic investors, who are lured by short term price gains as manipulatively provided by the speculators:

In the 2000 crisis, before that the interest in A type funds (based on ISE equities) had soared, that was the first blow in the making, after the crisis people lost a lot and had to pay management fees. The investor numbers dwindled, with the crisis many people lost all their savings, they fled from the ISE. Also the manipulations, the artificial price movements have made the domestics flee. This is outright manipulation, a con. This was very effective between 1998 and 2003. After 2003, these artificial price movements have slowed down a bit. (Interview with the head of branches, House B, 1 September 2008).

5.23 Some viewpoints show such things as the relics of a long-gone era of the 1990s. These viewpoints are quite popular among the members of institutional sales teams serving foreigners in brokerage houses. They usually point to the weakness and smallness of domestic speculators vis-à-vis global asset management companies and hedge funds. One of the managers I interviewed stated the following while talking about domestic speculators:

In big index shares, the domestics cannot enter there, in there the majority of shares belong to the foreigners, 90, 95 per cent, if you try to get in there, you will become the grass on which giants wrestle (Interview with the head of institutional sales, House B, 17 April 2008).

5.24 Another viewpoint which is popular among the managers of domestic sales teams accepts their continuing existence and influence over some segments of the ISE. They argue that speculators are not always villains as they provide liquidity to the ISE and make it an attractive emerging market for domestics and foreigners alike:

You need to remember the distinction between speculator and manipulator; speculation is done by everybody even us, you bet on something and set your position accordingly. But manipulation is a dirty thing, without speculation this market will be illiquid, and the ISE and the Capital Markets Board (CMB) know this very well, that is why these guys are here to stay (Interview with the head of House C, 15 August, 2008).

5.25 Another interviewee (The regional marketing manager of a bank-owned brokerage house, 1 September, 2008) was more open about 'big guys' and stated the following:

What we understand about big is a guy who buys and sells, who acts like a market maker in a share. Their total numbers, the real big ones, are may be around a dozen, maybe half of it or more don't work with us, the rest do, in the last year we had a guy who had clocked around 9, 10 billion TL of trading volume on his own.

5.26 These multiple meanings attached to domestic speculators attest to one of the most important features of the (classificatory) internal story, namely its dialogical polyphony. Boje (1995, 2001: 4) proposes the Tamara metaphor, a Los Angeles based play in which the audience move around the characters, who tell their stories about the same event, a murder, to refer to 'plurivocal interpretation...in a distributed and historically contextualized meaning network'. That is to say, meanings attached to actors, events, and actions are moulded by the locality of both teller and audience. Without an overarching plot, stories and meanings about domestic speculators are running loose in the story network of the ISE.^[6]

5.27 I actually interviewed 'the big guy' in the dealer's story afterwards (24 July, 2009), thanks to a very close friend of his who happened to be working in House D. With some preliminary information gathered

through the close friend, I started the interview with the viewpoint shared by the institutional sales people (referred to as ICM in the ISE vernacular)^[7] I had interviewed. Notice, I did not use the term speculator, as it has different connotations as exemplified above:

Tarim: You are an important domestic investor, and in this respect, I always hear this opinion in ICM departments that okay, domestics are doing all the trading volume and foreigners own bulk of the shares, this is a fact, but what they think, let's say if you trade in a big share, and if you try to take the price to a certain level, or you attempt to be a market maker, they will come and crush you. I just wonder what you think about this as an investor who trade in the most liquid shares.

Trader: Those guys saying this in those ICM departments, either they don't know who I am or they don't know anything about the house they are working for. In Garanti Bank, today on average, I do half of the trading volume there

Tarim: (laughs) I see!

Trader: If not Garanti, then where, this is the most liquid share in the ISE, and I do 5 per cent of the whole ISE trading, and besides, all my trades are in the ISE 10, they are beyond liquid, mine is flow trading, I think having flow traders like me is an advantage for foreigners, because foreigners, they do one way ticket trades, and we by buying and selling make them move more freely, and that is also the case in the world (markets).

Tarim: I see, right, well I guess the guys in the ICM departments, they don't know much about this business, what do you think?

Trader: Well they don't know the business in this way, say they receive an order saying buy a certain amount from weighted average price, say Garanti 10 Million buy weighted average, what the ICM department do, say 1 Million buy and 1 Million sell on the board, it is usually a 1/3 order, and the ICM trader logs 300k order and waits, the price is 4,10 and 4,12 on buy and sell side, I am giving an example here, why because if that 1 Million buy is executed on the board, the trader has to buy the 300k of that 1 Million, and if another 1 Million is bought, he has to buy the 300k of it, due to 1/3 order type. Another thing the ICM trader has to deliver is to match the price, but those guys in the ICM departments, they cannot know whether that particular share closes the day with a weighted average of 4.10 or 3.90, they want to predict this but they can't do it with success, why they want to predict, because when they execute orders, and if they beat the weighted average, that is profit for the ICM department's book, and this means bonus for the trader at the year end. When they can't strike the weighted average, their client won't accept it because it is a restriction order, so they have to mark up losses to the brokerage house, what (says his own full name) does, bless those ICM guys, they know what they do very well (I laugh), he does catch these guys on the board, and then takes the board up to 4.20 while they are executing their orders (I laugh), and then sells it down to 4.10 (he laughs), so this is the summary of the business (laughs) but, if they catch me doing something similar, they will try to do the same to me.

Tarim: (laughs) I see but in order for that, the ticket has to be really significant right?

Trader: Hmm, yes a really big ticket is necessary to do that to me.

Tarim: I understand, I guess this is not something that comes up everyday for them.

Trader: No, if that was to happen everyday, I would not be alive (laughs).

5.28 Here, the trader points to different possibilities for competition in the ISE trading between domestic traders and foreigners. Although he argues he has an advantage over institutional sales departments, at the end he acknowledges the possibility of opportunity seeking trades executed against him by foreigners via an institutional sales team. Although I did not mention the email rumour and the dealer's story about the 'big guy' directly, I asked the trader whether he was trading in the ISE futures. His response shed a different light on the stories told by the dealer and the online columnist:

Tarim: You have said you don't invest just in Turkey, but I was wondering whether you invest in the ISE futures market as part of your Turkish investment strategy.

Trader: I don't use the ISE futures market here, the reason for that as I've explained before we don't have the single stock contracts, in this form the ISE futures is crippled, and without that single stock trading option in the ISE futures, whatever you do in that market is gambling!

Tarim: I see, and I guess in that respect, they have turned the ISE futures into a casino?

Trader: Yes, they have, and all they are busy with is hustling the domestics' money. This is because they (foreigners) have bought Garanti, Isbank, all of them. You go to the futures market, and because you think the ISE spot index is expensive, you go short in the futures, but who is going to sell Garanti and Isbank, if you don't sell them, how the ISE futures will go down? And what they do, they take the price of these shares up, and then everyone is bankrupt in the ISE futures!

Tarim: I see, but who are these guys, and I am really interested in this because of the

conspiracy theories circulating about the ISE futures, that domestics are being destroyed, inexperienced investors, by opening up large positions, who are these guys, are they domestics or foreigners?

Trader: It is done by foreigners, and this is done in a very simple way, via programme trading, and seeing this as part of conspiracy is, it just shows, you know the saying, the deaf does not hear and makes it up

Tarim: Yes

Trader: Now this is to do with emerging market exchange traded funds (ETFs). These ETF business has reached 20 billion USD, its market cap, and money flows into this from all around the globe, and from there the money comes to Turkey, and Turkey (the ISE) is illiquid, then these guys think, what is the benchmark for Turkey, the ISE futures, they can't just do it share by share, unless of course they want to outperform (the index), this is up to the trader's will there, he can buy Garanti, Isbank, if they are going to perform better than the index, or he buys Eregli, I don't know what else, but they don't want to deal so much with Turkey, they are already doing big business in Russia, China, and Brazil, so what they do, they buy the ISE futures contract. And where do they buy this from, not from the wall, but from our domestics, then what everyone starts the conspiracy theories which have no relevance, because if there is money exit from these funds, the guy has to sell the index contract, and none of this buy and sell is done to make money via trading, the only aim is to match the benchmark!

Tarim: I see,

Trader: This is as simple as that.

Tarim: Right, because sometimes people say big guys come to index and sometimes I hear your name in those stories, like oh he has done this in the ISE futures, destroyed everyone, but I guess this is a case of the deaf does not hear and makes it up.

Trader: Yes, indeed!

5.29 The trader's story is based on the grand scheme of the global financial markets. Due to his access to these markets as an investor, as well as his close relationship with global market actors interested in the ISE, the trader's story is more akin to Tilly's (2002) superior story, providing a more sophisticated cause-effect relationship with regard to significant and correlated trading moves in the ISE spot and futures market. Interestingly, the trader's story also points to idea of 'domestics destroyed,' though not because of a malign intention on the part of big guys or musketeers but because of some attributes of the local and global financial system. As a theoretical fact, the underlying value of a derivatives market is the spot market (Kolb, 2003:1-2). With the assumption that this theoretical fact is upheld in the ISE's case, the main reason according to the trader behind the destruction of domestics is the dominance of foreigners in the ISE 30 share ownership. Because the bulk of major shares in this index are owned by foreigners, and there is no single stock futures contract in the ISE futures, ordinary domestic investor are left with no option but to bet for the whole ISE 30 futures index. Because the fate of the ISE 30 spot index is in the hands of foreigners who hold the majority of leading shares there, participation in the ISE futures market with one single futures product for the whole index becomes quite risky for domestics. This makes them quite vulnerable to foreigners' investment activities in both the ISE 30 spot and futures market as triggered by the ETFs activities.

5.30 All three stories about the ISE futures trading demonstrate the importance of positionality (Czarniawska, 1997:14; 2004:5), namely the market identity of recounter, in shaping not only the way events and actions are emplotted, but also the number and types of events and actions incorporated into a story. Positionality also sheds light on power-related aspects of storytelling, such as who actually owns the authorship in a story, how market identities shape emplotment, and under what circumstances one's story is accepted and rejected. With regard to authorship and market identities, one can expect similar plots or viewpoints among actors with similar market identities. This attests to collective authorship, especially in meaning-generation in internal stories. While the dealer and columnist's stories have currency in domestic pockets of the ISE, and attract more public attention, the trader's explanation would hardly resonate among members of such pockets who believe that they have had dramatic losses in the futures market because of 'big guys' or musketeers. Such divergences over meanings attached to similar events and actions are to be expectable in story networks pertinent to organisations and institutions. The dialogical polyphony of organisations as offered by Boje (2001) and Gabriel (2000) prevents an overriding truth that would remove multiple stories. Nevertheless, such a multi-voiced representation of the ISE without an overarching plot may be damaging for the ISE itself, and Turkish financial markets in general, by discouraging further public participation in financial markets and by diminishing the sustainability of brokerage houses and the ISE alike as viable businesses.

5.31 If such damage is possible via discursive activities, the discursive response of regulatory and professional associations to such stories is the grand story. A grand story is at the hegemonic end of the plot spectrum in financial markets, trying to straighten and smooth the stories of insiders and outsiders (Boje, 2001). Taken as a hegemonic plot, a grand story may surface in verbal and written statements of market actors and umbrella organizations representing their members. In the case of the ISE, there are umbrella organizations which have all the brokerage houses and banks as intermediaries in the equity, bills, and derivatives markets as their founding members. The ISE as an organized securities market is an autonomous public organization whose members are the intermediaries. The ACMIT is similar in its founding statue yet it is a professionals association with limited scope and authority over its members. The CMB is an autonomous public organization above all these market organizations, promulgating directives

that constitute the legal and organisational foundations of the Turkish capital markets. These organizations have more potential to utilize hegemonic plots in their story dispatches than their individual members.

5.32 The hegemonic plot draws on purist accounts about financial markets which show them as indispensable institutions of economy and society. The following excerpt comes from study notes provided by the ACMIT (2007:10) for the capital markets licence examination. This biannual examination is held by the CMB and grants the right to get a licence from the ACMIT to work as a market professional in an intermediary. The excerpt is about the functions of issuing and owning shares:

- *shares bring together savings of a great number of small investors in large companies and accumulate the necessary capital for a rapid economic development*
- *by spreading the ownership of forces of production and economic organization to great masses, shares provide a better distribution of income and wealth in society.*
- *shares complement democracy by giving the masses small or large decision making powers in matters of economy*

5.33 As can be seen above, there is significant stress on 'great masses' or 'small investors' and on how becoming a share holder promises a more egalitarian society, both economically and politically. In its pure form, becoming a shareholder via investing in a stock market seems quite promising for small investors. As Czarniawska (2004) has observed, invoking pure meanings in explanations as above may prevent access to local meanings, at worst resulting in total avoidance of accounts about events and actions. In this vein, one can contrast these purist 'beneficial' to great masses ideas with stories circulating internally and in the national press about domestic speculators colluding with company owners to manipulate share prices at the expense of unsuspecting small investors. By virtue of official fines and trading bans handed over to company officials and speculators, the occurrences of manipulation in the ISE equity market is an established fact that is accessible via the CMB's website.^[8]

5.34 While the CMB, the ISE, and the ACMIT tackle these issues as regulatory powers over the markets and their members, the stories they dispatch or opt not to dispatch about the market and specific events in it are shaped by other dimensions of their organizational identity. After all, these organizations have a normative goal, of making the equity market more attractive to investors by increasing the trust of general public in becoming share holders and investors in the stock market. More specifically, the ISE, and especially the ACMIT have a strong material interest in the expansion of investor participation due to various transaction and membership fees they collect. Acting in the above capacities to deliver these goals, these organizations in their story dispatches cannot afford to move too much away from the hegemonic plot that denies any negative categorical attribution to the market. Doing otherwise may tarnish the legitimacy and desirability of the stock market as an integral social institution in the eyes of general public, which may be consequential over the sustainability of the markets.

5.35 For instance, the head of CMB^[9] in an interview given to a national newspaper (*Sabah*, 3 July, 2009)^[10] argues that, volume wise, manipulation cases in the ISE constitute very little in the overall trading activity:

In fact, transactions with the smoke of manipulation constitute only one or two per cent of the total market. However, this creates a perception that manipulative transactions constitute sixty seventy percent of the market. But, this has been enough for a distrust to flourish among the investors

5.36 In another interview given to a national business channel (CNBC-e, 31 July, 2009), the head reiterates the above point: *acts of a few people as such have estranged hundreds of thousands of people to the bourse. We will do our best to change this.*^[11]

5.37 As seen in the above example, there is no categorical denial of the existence of manipulation or its effects on domestic investors. Nevertheless, manipulation is depicted as a small problem as far as the trading volume is concerned. The rest of the stock trading is constructed as normal, orderly, and legitimate. The repercussion of manipulation is constructed as a problem of perception more than anything else. In both interviews, the head heralds new measures to prevent manipulation more effectively and to change the wrong perception of the public about share trading.

5.38 Nevertheless, individual members of the ISE and the ACMIT can afford to dispatch non-hegemonic stories to the public about such market events. This is because the ways the regulatory and professional organisations tackle the market issues may not satisfy all of their members. Therefore, dispatching non-hegemonic stories to the public may advance individual members' or their peer group's interests, by swaying public opinion about the 'realities' in the market and how regulators fail in the face of them. It is not uncommon to hear such dissident dispatches from market actors via the national media. The national media becomes an intermediary in exchanges between hegemonic and dissident voices. These dissident voices are either dismissed as complete fantasy or seen as misunderstandings by dispatchers of the grand story. The media may take a neutral position or give support discursively to one story over the other.

5.39 An example of such discursive exchanges comes from the previously mentioned manipulation story about the ISE futures. As mentioned before, manipulation stories about the ISE futures were circulating internally and some of these were leaked to the press. The head of ISE futures market responds to such

claims live on CNBC-e on, 10 July, 2009. A national newspaper *Yeni Safak* ran the story on the following day with the title *The head denies: no manipulation!*^[12]

The head of ISE futures market Mr Cetin Ali Donmez says the claim that foreigners manipulate the futures market is unfair. Speaking live on CNBC-e, Mr Donmez stated that when investment advice of investment advisors turns out to be wrong, they look for the culprit in manipulation claims.^[13]

5.40 The news story then reports the views of two futures dealers from two different brokerage houses which serve only domestic investors. The names of the dealers and their organisation are not anonymised in the news story. The first dealer responds in the following way to the question *Is there serious manipulation in the ISE futures?*

It is hard to say with 100 per cent confidence that there is manipulation in the ISE futures. But three or four houses have opened up very large positions and when there is a reverse move in the (spot) market, these houses move against the (spot) market. However we think that the moves of those houses do not give us sufficient grounds to give a definite verdict.

5.41 The second dealer has a different take on the issue:

The June contracts are over. That is why there is no manipulator in the market now. The ISE future is a market of power. If you have power you keep the market up. They have exited the 30 August contracts by keeping the market up. That is to say, it is too late now. If you have power, you keep it up. Because of the ISE futures' nature, when you take the market up, the short investors are given margin calls. You see what I mean; this market is like a poker table.

5.42 The head of CMB also touches on these claims in his interview to *Sabah*:

Mr Akgiray responds to recent frequent claims made by some market specialist that 'the foreigners who take positions in the ISE futures drive the ISE spot market up artificially'. Akgiray says 'A claim as such is an ignorant discourse. No one will buy a lottery ticket worth 20 lira for a price worth 5 lira. If those investors who are long in the ISE futures move the spot market up, this will be an irrational business. What they claim is theoretically possible but practically impossible'

5.43 As can be seen above, the national media becomes an intermediary between story dispatchers about the issue of a possible market squeeze. Some news stories like that of *Yeni Safak* present conflicting views without taking any side. Others just convey what the regulators state. However, as Boje (2001:76-82) demonstrates, the role of press in storytelling organisations is no less than that of the contending story dispatchers. This is because the press also emplots events and actions, decides whose voice is going to be heard and how, and whether the story is to be a trace of a hegemonic plot, or left as a dissident narrative within dialogical polyphony.

5.44 Leaving aside the press-related aspects of the ISE storytelling network because of space restrictions, I observe the following in the above exchange. The responses of regulators deny attribution of any generative or successional causality to the ISE futures market itself. It seems that according to them there is no organisational arrangement in the market that may lead to such unintended consequences, not to mention intentional market squeeze. Instead of offering a more fact based explanation, both statements highlight malign investment advisors or ignorant commentators distorting the reality. The dissident voices refer to what they have observed on the screen in recent months. The first dealer is sceptical about an outright manipulation but sees some grounds for suspecting it. The second dealer comes to a strong categorical conclusion about the ISE futures, that it is a poker table. The organisation of the market is hence attributed a negative generative causality which is in total contradiction with the hegemonic plot about the markets.

5.45 Note that there is no reference in any of the stories to the effect of ETFs on market volatility as proposed by the trader before. One can suspect that both regulators are quite informed about such funds investing in the ISE and the repercussions of not having single stock option in the ISE futures combined with EFT activity. Nevertheless, it is never brought up into the story. One reason behind this may be the ongoing organisational conflict between the ISE spot and ISE futures markets as to which market should host the single stock futures trading. While both organisations vie for the lucrative business, it is the CMB, which decides on which market hosts the single stock futures trading (*Referans* 14 September, 2009).^[14]

5.46 Moreover, explaining and refuting the manipulation claims by referring to organisational deficiencies and problems in the Turkish financial markets in general (such as illiquidity, lack of diversity in investment products) may again adversely affect public perceptions about the legitimacy of the Turkish financial markets and the competency of its regulatory and professional organisations. Thus, it might be discursively easier and safer for regulators to blame 'malignant' and 'ignorant' people and categorically deny the claims and not to reveal the organisation issues surrounding the Turkish financial markets inadvertently.

Mimesis 3: do technical accounts prevail over standard stories among market actors?

5.47 Internal stories are influenced by the tellers' role in divisions of labour within the organization, and their organizations' place in the market. Consequently, classificatory internal stories are depositories of ideas about market hierarchies and conflicts of interests in the market. They gain currency within specific

pockets of the market hierarchy, while they may be totally rejected by members of other pockets. They are narratives before the coherence and discipline imposed by the grand story or by data and information about market actors which are confidential, anonymous or simply unavailable to the public.

5.48 Under the situation of informational uncertainty, and with limited and no direct contact with other market actors that are deemed culprits in negative or positive market outcomes, recounters of internal stories resort to what Tilly (2006) calls standard stories in offering a cause-effect relationship and attributing credit or blame to market actors. These standard stories are based on rumour, fantasy, inferences made from numbers and narratives on market screens, and sweeping generalisations about discursively created characters found in the market. Organizations may actively attempt to prevent dispatches of such internal stories with the grand story. Such a narrative policing activity is done bearing in mind the possible negative effects of dissident internal stories on the image and legitimacy of the organization or the market in general.

5.49 Nevertheless, disgruntled organisations and their members in the face of undesirable market situations may tolerate the dispatches of dissident voices or may actively spread these dissident voices to the general public. By swaying public opinion, dissident voices and organisations strive to undermine the disciplining power of the grand story and its purist accounts about the market. If successful, such discursive attacks may result in institutional reconfigurations to appease dissident voices and to regain the public's faith in the competence of market regulators. Failure to do so may have repercussions on public participation in and the future of financial markets. So far, it seems the regulators or grand story dispatchers in the case of the ISE stick to standard stories in responding to dissident standard stories about negative market outcomes in the ISE spot and futures markets. The lack of technical accounts or code-based explanations by regulatory and organisational experts, which would construe negative market outcomes as possibilities in an efficient market, actually put dispatches of the grand story on an equal footing with standard stories based on fantasies, rumours, and sweeping generalisations. It seems that technical accounts or superior stories are yet to be adopted in the public discourses of market actors in the ISE as a prevalent mode of explanation about undesired situations and outcomes.

Appendix

[Link to Appendix](#)

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Notes

¹ For Tilly's major publications, see <<http://professor-murmann.info/index/php/weblog/tilly>>

² See Keynes' analogy of a notional beauty contest for stock market trading in which gauging the average public perception about the most beautiful contestant correctly is the prime way of predicting the outcome of the contest and hence winning the price (Keynes, 1936).

³ The teller started the story at her desk and then we moved to the cafeteria as it was trading halt in the ISE. The above story is my summary of what she told me, due to anonymity and space restrictions. I excluded my reactions to the unfolding plot (mostly amazement by the amount of risk taken) and some other details which could have revealed the identity of the protagonist.

⁴ Note that the unpredictability of markets (Random Walk by Malkiel, ([1973] 2007) and Efficient Market Hypothesis by Fama, (1970)) calls for reducing risk by diversification (modern portfolio theory by Markowitz, (1952)), and a hedging strategy based on correlation and co-efficient. These are established 'laws' of the market as taught in Finance courses. Diversification of risk and hedging are widely practiced by professional investors.

⁵ The article is written by Dr Yasar Erdinc and is available at <http://www.bilgeyatirimci.com/yasar_erdinc/view/8703/vob_da_neler_oluyor>. My translation.

⁶ These multiple meanings are told to me during interviews with different market actors with differing roles in terms of their client base. In that sense it was a literal journey in Istanbul between geographically scattered brokerage houses.

⁷ ICM- International Capital Markets.

⁸ Some of these cases are prosecuted by the CMB and a few investors as well as company owners have been banned from trading in the ISE. The names of banned people are available on CMB's website (but only in the Turkish version). Nevertheless, they may continue trading under different names. It is widely believed that many of the cases happen unnoticed and unprosecuted and domestic speculators operate freely in the ISE.

⁹ The head of CMB, Vedat Akgiray, was appointed 12, March 2009. Since then he has made a few frank public statements about manipulation in the ISE and how he plans to tackle them. Such frank statements were quite unusual for the previous heads. Note, Akgiray was the head of Finance in the Faculty of Management at the Bosphorus University before taking up the post in the CMB

¹⁰ <http://www.sabah.com.tr/Ekonomi/2009/07/03/spk_manipulasyona_karsi_30_kisilik_bbg_timi_kuruyor>

¹¹ <<http://www.ntv.com.tr/id/24988064/>> .

¹² <<http://yenisafak.com.tr/Ekonomi/?t=11.07.2009&i=197802>>

¹³ Mr Cetin Ali Donmez, the head of the ISE futures market, is also a PhD in finance from the Bosphorus University.

¹⁴ <http://www.referansgazetesi.com/haber.aspx?HBR_KOD=127739&KTG_KOD=229>

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